UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 1997

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ______________ to ______________

Commission File Number 0-22303

GULF ISLAND FABRICATION, INC.
(Exact Name of Registrant as Specified in its Charter)

LOUISIANA	72-1147390
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S.Employer Identification No.)
583 THOMPSON ROAD, HOUMA, LOUISIANA	70363
(Address of Principal Executive Offices)	(Zip Code)

(504) 872-2100
Registrant's Telephone Number, Including Area Code

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

As of August 11, 1997, there were 5,800,000 shares of common stock, no par value, outstanding.

GULF ISLAND FABRICATION, INC.

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PART I. FINANCIAL INFORMATION

Item 1. Financial statements

GULF ISLAND FABRICATION, INC.
CONSOLIDATED BALANCE SHEET
(in thousands, except share data)

	December 31, 1996	June 30, 1997
ASSETS		
Current assets:		
Cash	$ 1,357	$ 4,302
Contracts receivable, net	11,674	24,536
Contract retainage	1,806	998
Costs and estimated earnings in excess of billings on uncompleted contracts	1,306	3,326
Prepaid expenses	500	695
Inventory	1,113	1,396
Total current assets	17,756	35,253
Property, plant and equipment, net	17,735	26,994
Other assets	418	428
	$ 35,909	$ 62,675
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 1,081	$ 6,148
Billings in excess of costs and estimated earnings on uncompleted contracts	2,205	4,587
Accrued employee costs	1,903	2,417
Accrued expenses	1,036	2,336
Income taxes payable	-	1,976
Current portion of notes payable	530	135
Total current liabilities	6,755	17,599
Deferred income taxes (Note 3)	-	1,144
Notes payable, less current portion	5,657	-
Total liabilities	12,412	18,743
Commitments and contingent liabilities (Note 6)		
Shareholders' equity (Note 5):		
Preferred stock, no par value, 5,000,000 shares authorized, no shares issued and outstanding	-	-
Common stock, no par value, 20,000,000 shares authorized, 3,500,000 and 5,800,000 shares issued and outstanding	1,000	4,133
Additional paid-in capital	6,670	34,865
Retained earnings	15,827	4,934
Total shareholders' equity	23,497	43,932
	$ 35,909	$ 62,675

GULF ISLAND FABRICATION, INC.
CONSOLIDATED STATEMENT OF INCOME (UNAUDITED)
(in thousands, except per share data)

<TABLE>
<CAPTION>

<S>	Three months ended June 30, 1996	Three months ended June 30, 1997	Six months ended June 30, 1996	Six months ended June 30, 1997
Revenue	$ 21,704	$ 35,023	$ 41,208	$ 65,247
Costs of revenue	19,078	28,599	37,236	53,958
Gross profit	2,626	6,424	3,972	11,289
General and administrative expenses	488	1,144	1,000	2,146
Operating income	2,138	5,280	2,972	9,143
Interest expense, net	141	39	193	275
Income before provision for income taxes	1,997	5,241	2,779	8,868
Provision for income taxes:				
Current provision	-	1,976	-	1,976
Cumulative deferred provision	-	1,144	-	1,144
Net income	$ 1,997	$ 2,121	$ 2,779	$ 5,748
Pro forma data (Note 3):				
Income before provision for income taxes, reported above	$ 1,997	$ 5,241	$ 2,779	$ 8,868
Current provision	-	1,976	-	1,976
Pro forma provision for income taxes related to operations as S Corporation	759	-	1,056	1,379
Pro forma net income	$ 1,238	$ 3,265	$ 1,723	$ 5,513
Pro forma per share data (Note 4):				
Pro forma net income per share	$ 0.32	0.57	0.44	$ 1.14
Pro forma weighted average common shares	3,927,000	5,732,000	3,927,000	4,835,000

</TABLE>

GULF ISLAND FABRICATION, INC.
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
(UNAUDITED)
(in thousands, except share data)

<TABLE>

<S>	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Retained Earnings	Total
Balance at December 31, 1996	3,500,000	$ 1,000	$ 6,670	$ 15,827	$ 23,497
Net proceeds from issuance of common stock	2,300,000	$ 3,133	$ 28,195	-	$ 31,328
Dividends paid	-	-	-	$ (16,641)	$ (16,641)
Net income	-	-	-	$ 5,748	$ 5,748
Balance at June 30, 1997	5,800,000	$ 4,133	$ 34,865	$ 4,934	$ 43,932

</TABLE>

GULF ISLAND FABRICATION, INC
CONSOLIDATED STATEMENT OF CASH FLOWS
(UNAUDITED)
(in thousands)

<TABLE>
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<S>	Three months ended June 30, <C> 1996	<C> 1997	Six Months ended June 30, <C> 1996	<C> 1997
Cash flows from operating activities:				
Cash received from customers	$ 18,839	$ 34,250	$ 33,320	$ 58,112
Cash paid to suppliers and employees	(18,659)	(29,347)	(33,016)	(49,926)
Interest paid	(145)	(37)	(192)	(273)
Net cash provided by operating activities	35	4,866	112	7,913
Cash flows from investing activities:				
Capital expenditures, net	(3,307)	(1,818)	(5,083)	(7,481)
Payment for purchase of Dolphin Services, net of cash acquired	-	-	-	(5,803)
Proceeds from cash surrender value of insurance policy	-	-	-	253
Net cash used in investing activities	(3,307)	(1,818)	(5,083)	(13,031)
Cash flows from financing activities:				
Proceeds from issuance of notes payable	7,698	19,400	14,098	41,900
Principal payments on notes payable	(4,033)	(36,027)	(10,110)	(48,524)
Net proceeds from initial public offering	-	31,471	-	31,471
Dividends paid	(313)	(14,000)	(910)	(16,641)
Payment of costs associated with initial public offering	-	-	-	(143)
Net cash provided by financing activities	3,352	844	3,078	8,063
Net increase (decrease) in cash	80	3,892	(1,893)	2,945
Cash at beginning of period	111	410	2,084	1,357
Cash at end of period	191	4,302	191	4,302
Reconciliation of net income to net cash provided by operating activities:				
Net income	1,997	2,121	2,779	5,748
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation	348	692	686	1,339
Decrease in contracts receivable	(473)	(1,928)	(9,930)	(8,065)
(Increase) decrease in contract retainage	208	(357)	123	1,001
Decrease in costs and estimated earnings in excess of billings on uncompleted contracts	(658)	(1,718)	(339)	(1,964)
(Increase) decrease in prepaid expenses and other assets	(250)	254	(131)	679
Decrease in inventory	-	(104)	-	(6)
Increase (decrease) in accounts payable and accrued expenses	805	(361)	4,666	4,620
Decrease in other liabilities	-	-	-	-
Increase in deferred taxes	-	1,144	-	1,144
Increase in income taxes payable	-	1,892	-	1,523
Increase (decrease) in billings in excess of costs and estimated earnings on uncompleted contracts	(1,942)	3,231	2,258	1,894
Net cash provided by operating activities	$ 35	$ 4,866	$ 112	$ 7,913

</TABLE>

GULF ISLAND FABRICATION, INC.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - ORGANIZATION AND SIGNIFICANT ACCOUNTING PRINCIPLES

The consolidated financial statements include the accounts of Gulf Island Fabrication, Inc. and its wholly-owned subsidiaries (the "Company"). The Company, located in Houma, Louisiana, is engaged in the fabrication and refurbishment of offshore oil and gas platforms for oil and gas industry companies. The Company's principal markets are concentrated in the offshore regions of the Gulf of Mexico.

On January 2, 1997, the Company acquired all outstanding shares of

Dolphin Services, Inc., Dolphin Steel Sales Inc. and Dolphin Sales and Rentals Inc. for $5.9 million. The acquired corporations perform fabrication, sandblasting, painting and construction for offshore oil and gas platforms in inland and offshore regions of the coast of the Gulf of Mexico. On April 30, 1997, Dolphin Steel Sales, Inc. and Dolphin Sales and Rentals, Inc. merged into Dolphin Services, Inc. The three corporations are referred to hereinafter collectively as "Dolphin Services" (See Note 2.)

On February 13, 1997, the Board of Directors approved the filing of an initial registration statement on Form S-1 with the Securities and Exchange commission to register and sell 2.3 million shares of common stock. Shortly before the closing of the offering on April 9, 1997, the Company's current shareholders elected to terminate its status as an S Corporation, and the Company has become subject to federal and state income taxes. (See Note 3.)

The information presented for June 30, 1997 and for the three-month and six-month periods then ended, is unaudited. In the opinion of the Company's management, the accompanying unaudited financial statements contain all adjustments (consisting of normal recurring adjustments) which the Company considers necessary for the fair presentation of the Company's financial position as of June 30, 1997 and the results of its operations and its cash flows for the three-month and six-month periods ending June 30, 1996 and 1997.

In the opinion of management, the financial statements included herein have been prepared in accordance with generally accepted accounting principles and the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. Accordingly, certain information and disclosures normally included in financial statements have been condensed or omitted. These financial statements should be read in conjunction with the Company's audited financial statements for the year ended December 31, 1996, which were included as part of the Company's Registration Statement on Form S-1 (Registration No. 333-21863), as declared effective by the Securities and Exchange Commission on April 3, 1997.

The results of operations for the three and six months ended June 30, 1997 are not necessarily indicative of the results that may be expected for the year ending December 31, 1997.

NOTE 2 - ACQUISITION OF DOLPHIN SERVICES

On January 2, 1997, the Company acquired all outstanding shares of Dolphin Services for $5.9 million which was financed by borrowings under the Company's line of credit. The acquisition was accounted for under the purchase method of accounting. Accordingly, the operations of Dolphin Services are included in the Company's operations from January 2, 1997. Assuming the acquisition of Dolphin Services had occurred on January 1, 1996, pro forma revenue and pro forma net income for the three months and six months ended June 30, 1996 would have been $27.3 million and $1.4 million and $51.4 and $2.0 million, including a pro forma provision for income taxes assuming the Company had operated as a C Corporation. Pro forma net income per share for the three months and six months ended June 30, 1996 would have been $.37 and $.52, based on average common shares outstanding of 3,927,000.

NOTE 3 - TERMINATION OF S CORPORATION STATUS

On April 4, 1997, the Company's shareholders elected to terminate the Company's status as an S Corporation, and the Company became subject to federal and state income taxes. In conjunction with the termination of S Corporation status, the Company paid a distribution of $14 million to its current shareholders representing substantially all of the Company's remaining undistributed S Corporation earnings through April 4, 1997. The S Corporation earnings for the period April 1, 1997 to April 4, 1997 were an immaterial part of the total distribution.

The balance sheet of the Company as of June 30, 1997 reflects a deferred income tax liability of $1.1 million resulting from the termination of the S Corporation status. The amount of the Company's retained earnings represents primarily the C Corporation earnings prior to the Company's election of subchapter S Corporation status in 1989 and earnings for the three months ended June 30, 1997.

The pro forma income statement presentation reflects an additional provision for income taxes as if the Company had been subject to federal and state income taxes since January 1, 1996 using an assumed effective tax rate of approximately 38%.

NOTE 4 - PRO FORMA PER SHARE DATA

Pro forma per share data for the three and six month periods ended June 30, 1997 consists of the Company's historical income, adjusted to reflect income taxes as if the Company had operated as a C Corporation for all of the periods ended June 30, 1997. This calculation excludes the charge of $1,144,000 related to cumulative deferred income taxes resulting from conversion to a C Corporation on April 4, 1997. The weighted average share calculations included the assumed issuance of additional shares sufficient to pay the distributions to shareholders, to the extent such distributions exceeded net income for the year ended December 31, 1996.

The Company used proceeds received from its public offering to repay all outstanding debt at the time of the offering. Accordingly, the Company has calculated a pro forma supplemental net income per share of $1.07 for the six months ended June 30, 1997 (effect immaterial for three months ended June 30, 1997). The supplemental amount is calculated by (a) dividing the pro forma net income, increased by the interest expense, net of tax, on the debt extinguished, by (b) average shares outstanding, as increased to reflect the assumed issuance of sufficient additional shares to retire the debt calculated based on the date of issue of the debt. All such additional shares are assumed to be issued at the offering price of $15 per share, net of offering expenses.

NOTE 5 - SHAREHOLDERS' EQUITY

On April 3, 1997, the Company's Registration Statement on Form S-1 (Registration No. 333-21863) was declared effective by the Securities and Exchange Commission. On April 9, 1997, the Company sold 2.3 million common shares pursuant to the registration statement, increasing the total shares outstanding to 5.8 million. The Company received net proceeds from the sale of $31.3 million.

NOTE 6 - COMMITMENTS AND CONTINGENT LIABILITIES

The Company is one of four defendants in a lawsuit in which the plaintiff claims that the Company improperly installed certain attachments to a jacket that it had fabricated for the plaintiff. The plaintiff, which has recovered most of its out-of-pocket losses from its insurer, seeks to recover the remainder of its claimed out-of-pocket losses (approximately $1 million) and approximately $63 million for punitive damages and for economic losses which it alleges resulted from the delay in oil and gas production that was caused by these events. The Company is vigorously contesting the plaintiff's claims and, based on the Company's analysis of those claims, the Company's defenses thereto, and the Court's rulings received to date, the Company believes that its liability for such claims, if any, will not be material to its financial position. In view of the uncertainties inherent in litigation, however, no assurance can be given as to the ultimate outcome of such claims.

The Company is subject to claims arising through the normal conduct of its business. While the ultimate outcome of such claims cannot be determined, management does not expect that these matters will have a material adverse effect on the financial position or results of operations of the Company.

NOTE 7 - SUBSEQUENT EVENT

Subsequent to June 30, 1997, options to purchase 100,000 shares of Common Stock have been granted to employees of the Company under the Long-Term Incentive Plan. The option exercise price is equal to the fair market value of the Common Stock on the date of the grant and, accordingly, no compensation expense was recognized in connection with the issuance of these options.

Item 2. Management's Discussion and Analysis of Financial Condition And Results of Operations

This discussion and analysis of financial condition and results of operations should be read in conjunction with the unaudited consolidated financial statements and the related disclosures included elsewhere herein and Management's Discussion and Analysis of Financial Condition and Results of Operations included as part of the Company's Registration Statement on Form S-1 (Registration No. 333-21863), as declared effective by the Securities and Exchange Commission on April 3, 1997.

Results of Operations

On January 2, 1997, the Company acquired all the outstanding stock of Dolphin Services, Inc. and its two affiliated corporations (collectively, "Dolphin Services"). As used hereinafter, unless the context requires otherwise, the term "Company" refers to the Company and Dolphin Services on a consolidated basis, the term "Parent" refers to the Company only and the term "Subsidiary" refers to Dolphin Services only. The Statement of Income included in the unaudited financial statements presents the results of operations of the Company for the second quarter and six months ended June 30, 1997, compared to the results of operations of the Parent for the second quarter and six months ended June 30,1996.

The Company's revenues for the second quarter and six months ended June 30, 1997, were $35.0 million ($29.0 million for the Parent) and $65.2 million ($51.6 million for the Parent), respectively, an increase of 61.3% and 58.3% compared to $21.7 million and $41.2 million in revenues for the Parent for the second quarter and six months ended June 30, 1996. The high activity levels in the oil industry during 1997 caused increased demand and thus upward pressure on the pricing of the Company's goods and services. In addition, the on-going labor recruiting and retention efforts at the Company generated an increase in the volume of direct labor hours applied to contracts for the second quarter and six months ended June 30, 1997, respectively, over the comparable periods in 1996.

The increased volume and strong pricing enabled the Company to produce gross profit of $6.4 million (18.3% of sales) and $11.3 million (17.3% of sales) for the second quarter and six months ended June 30, 1997, respectively, compared to the $2.6 million (12.1% of sales) and $4.0 million (9.6% of sales) of gross profit, respectively, for the Parent, for the second quarter and six months ended June 30, 1996.

Depreciation in Costs of Revenue for the Company for the second quarter and six months ended June 30, 1997 was $655,000 and $1.3 million, respectively, an increase of $324,000 and $606,000, compared to the $331,000 and $661,000 in depreciation for the Parent for the second quarter and six months ended June 30, 1996. The on-going purchase of equipment and facilities expansion and improvements at the Parent contributed $214,000 and $394,000, respectively, of this increase, and the remaining $110,000 and $212,000 increase was generated by the newly acquired Subsidiary.

The Company's selling, general, and administrative (S,G, & A) expenses were $1.1 million and $2.1 million respectively for the second quarter and six months ended June 30, 1997, compared to $488,000 and $1.0 million, respectively, for the Parent for the second quarter and six months ended June 30, 1996. This increase of $656,000 and $1.1 million, respectively, for the second quarter and six-month periods were caused by the following: (a) $304,000 and $598,000, respectively, are due to the additional S,G, & A costs of the Subsidiary (b) $200,000 and $300,000, respectively, were due to the greater accrual of performance-based employee incentives at the Parent which resulted from increased profits for the second quarter and six months ended June 30, 1997, and (c) $152,000 and $249,000, respectively, were due to the additional costs associated with increased production levels and the reporting requirements of a public company for 1997.

The Company's interest expense decreased to $39,000 for the second quarter of 1997 compared to $141,000 for the second quarter of 1996, but increased to $275,000 for the first six months of 1997 compared to $193,000 for the first six months of 1996. Weighted average borrowings of the first quarter of 1997 were high and, as a result of the use of the net proceeds from the Company's initial public offering, the weighted average borrowings of the second quarter of 1997 were low, in comparison to the same periods in 1996.

The Company converted to C Corporation status on April 4, 1997. Pro forma provision for income taxes and pro forma net income give effect to federal and state income taxes as if all entities presented had been taxed as C corporations during all the periods presented of both 1996 and 1997. Pro forma net income excludes the non-recurring charge of $1.1 million to record the cumulative deferred income tax provision upon the election on April 4, 1997 to convert from S corporation status to C corporation status. (See Note 3 to the Financial Statements appearing elsewhere in this report).

Liquidity and Capital Resources

The Company completed its initial public offering on April 9, 1997 in which it sold 2.3 million shares of common stock for net proceeds of $31.3 million after underwriting discounts and other costs of $3.2 million. Of the net proceeds, the Company used $31.1 million to repay all of the indebtedness outstanding under the Company's bank credit facility. The balance of the proceeds was used by the Company as additional working capital.

Historically the Company has funded its business activities through funds generated from operations and borrowings under its bank credit facility. Net cash provided by operations was $7.9 million for the six months ended June 30, 1997, primarily attributable to cash received from customers related to increased sales. Net cash used in investing activities for the six months ended June 30, 1997 was $13.0 million, related to the $5.9 million purchase of Dolphin Services and $7.5 million of capital expenditures. The Company's capital expenditures were for improvements to its production facilities and for equipment designed to increase the capacity of its facilities and the productivity of its labor force. During the six months ended June 30, 1997, the Company purchased two new Manitowoc Model M250 cranes, a used American Model 5300 crane, installed construction skidways, and acquired various other fabrication equipment and facilities.

Net cash provided by financing activities of $8.1 million for the six months ended June 30, 1997 represented the net proceeds of $31.3 million of the initial public offering offset by $16.6 million of dividends paid to shareholders in connection with the termination of the Company's S corporation status prior to the initial public offering, and $6.6 million net payments of notes payable under the bank credit facility.

The Company's bank credit facility currently provides for a revolving line of credit (the "Revolver") of up to $20.0 million which bears interest equal to, at the Company's option, the prime lending rate established by Citibank, N.A. or LIBOR plus 11/2%. The Revolver matures December 31, 1999 and is secured by a mortgage on the Company's real estate, equipment and fixtures, and by the stock of Dolphin Services. As additional security the Company has caused Dolphin Services to guarantee the Company's obligations under the Revolver. At June 30, 1997 there were no borrowings outstanding under the credit facility.

Capital expenditures for the remaining six months of 1997 are estimated to be approximately $8.6 million, including the purchase of three new Manitowoc Model 888 crawler cranes, expansion of the main yard fabrication shop, expansion of the West Yard fabrication area and various other fabrication equipment purchases and facility expansion. Management believes that its available funds, cash generated by operating activities and funds available under the Revolver will be sufficient to fund these capital expenditures and its working capital needs. However, the Company may expand its operations through acquisitions in the future, which may require additional equity or debt financing.

PART II. OTHER INFORMATION

Item 4. Submission of Matters to a Vote of Security Holders

Effective April 4, 1997, prior to the sale of shares by the Company in connection with its initial public offering, shareholders holding, in the aggregate, 3,169,600 (90.56%) of the then outstanding shares of common stock of the Company executed a written consent to the election by the Company to terminate the status of the Company as an S-corporation for purposes of Section 1362(d)(1)(D) of the Internal Revenue Code of 1986, as amended. In connection with the termination of the Company's status as an S-corporation, shareholders holding all of the Company's 3,500,000 outstanding shares of common stock executed during April 1997 a consent pursuant to Section 1362(e)(3)(B) of the Internal Revenue Code of 1986, as amended, electing to cause the books of the Company to be closed as of April 4, 1997 in order to allocate, for federal income tax purposes, the taxable income of the Company for the period January 1, 1997 through April 4, 1997 solely to those persons who were shareholders during that period.

No shares were held of record by nominees and there were no broker non-votes with respect to the matters described above.

Item 5. Other Information

On July 24, 1997 the Company announced its second quarter, 1997 earnings and related matters. Such matters are described in the press release attached hereto as Exhibit 99.1.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits.

27.1 Financial data schedule.

99.1 Press release issued by the Company on July 24, 1997 announcing its second quarter, 1997 earnings and related matters.

(b) The Company filed no reports on Form 8-K during the quarter for which this report is filed.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

GULF ISLAND FABRICATION, INC.

By: /s/ Joseph P. Gallagher, III

Joseph P. Gallagher, III
Vice President- Finance
(Principal Financial Officer
and Duly Authorized Officer)

Date: August 14, 1997.

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NEWS RELEASE

For further information contact:

Kerry J. Chauvin	Joseph "Duke" Gallagher
Chief Executive Officer	Chief Financial Officer
(504) 872-2100	(504) 872-2100

FOR IMMEDIATE RELEASE
THURSDAY, JULY 24, 1997

GULF ISLAND FABRICATION, INC.
REPORTS SECOND QUARTER AND YEAR-TO-DATE 1997 EARNINGS

Houma, LA - Gulf Island Fabrication, Inc. (NASDAQ: GIFI) today reported pro forma net income of $3.3 million ($.57 per share) on revenue of $35.0 million for its second quarter ended June 30, 1997, compared to pro forma net income of $1.2 million ($.32 per share) on revenues of $21.7 million for the second quarter of 1996. The company completed its initial public offering on April 9, 1997 in which 2.3 million shares were issued causing the pro forma weighted average shares outstanding to increase from 3.9 million for the first quarter of 1997 to 5.7 million for the second quarter of 1997.

Pro forma net income for the first six months of 1997 was $5.5 million ($1.14 per share) on revenue of $65.2 million, compared to pro forma net income of $1.7 million ($.44 per share) on revenues of $41.2 million for the first six months of 1996.

Pro forma net income gives effect to federal and state income taxes as if the company had been a C Corporation for tax purposes during all the periods of 1996 and 1997. Pro forma net income, excludes the non-recurring charge of $1.1 million to record the cumulative deferred income tax provision upon the election on April 4, 1997 to convert from S Corporation status to C Corporation status. At June 30, 1997, the consolidated companies had a revenue backlog of $81.7 million and a labor backlog of 1.2 million manhours remaining to work.

Kerry Chauvin, Gulf Island Fabrication, Inc.'s president and chief executive officer noted, "The enhanced performance for 1997 reflects the company's productivity through innovative programs and capital improvements. Ongoing recruiting and training programs have enabled the company to increase its skilled employment levels. Strong demand for the company's products resulting from the high activity levels in the oil and gas industry has enabled the company to improve profit margins."

Gulf Island Fabrication is a leading fabricator of offshore drilling and production platforms and other specialized structures used in the development and production of offshore oil and gas reserves.